

Policy Number:	6.16
Policy Name:	Service Level Policy – Finance
Classification:	Public – Council Policy
Adopted:	23 September 2014
Frequency of Review:	Biennial
Last Review:	September 2014
Next Review Due:	September 2016
Responsible Officer(s):	Manager – Finance & Corporate Services
Policy and Code of Practice Manual File Ref:	CC10/2601
Council File Reference:	CR14/23024
Legislation Authority:	N/A
Related Policies and Codes:	Policy: 6.13 Service Range Policy
Related Procedures:	N/A

1. BACKGROUND / POLICY OBJECTIVES

- 1.1 Numerous standard finance and accounting services are internally required for the Council to function in an effective and efficient manner.
- 1.2 The Local Government Act 1999 prescribes that a number of the services required are also a legislative requirement – ranging from adopting and reviewing Annual Budgets, reviewing the Long Term Financial Plan, setting Fees & Charges, preparing Annual Financial Statements and having an Audit Committee, etc.
- 1.3 The purpose of this Policy is to identify the various levels at which the various Finance activities are provided. In some instances, the service level is mandated by the Local Government Act 1999 or the Local Government (Financial Management) Regulations 2011.

2. SERVICE LEVELS

- 2.1 The level of service for the various Finance activities is disclosed in **Appendix 1**.

- 2.2 Where not mandated by legislation, the service level needs to set at a level such that there is an appropriate assurance that there is adequate Finance staff resources provided to ensure that the financial activities of Council are being delivered in an efficient and orderly manner to achieve its objectives, to ensure adherence to management policies, to safeguard the Council's assets, and to secure (as far as possible) the accuracy and reliability of Council records.

3. REPORTING OF SERVICE LEVEL ACHIEVEMENTS

- 3.1 Council's performance in meeting the specified service levels will be reported on an annual basis.

4. MEANS OF DELIVERY OF THE SERVICE

- 4.1 Council will deliver the internal Finance activities disclosed in **Appendix 1** by employing suitably qualified and experienced staff.
- 4.2 The level of staff required to deliver the activities will be reviewed on an annual basis, as part of Council's annual budget / business plan deliberations.
- 4.3 The review will take into consideration performance against the various Service levels, legislative changes, and relevant benchmarking.

5. HOW THE SERVICE IS FUNDED

Operating expenses associated with the delivery of Finance activities are funded by General Rate revenue and Federal Government Financial Assistance Grants received.

6. REVIEW AND EVALUATION

The effectiveness of this Policy will be reviewed on a biennial basis.

The Chief Executive Officer will report to Council on the outcome of the evaluation and if relevant make recommendations for amendments, alteration or substitution of a new Policy.

The Policy will not be altered or substituted so as to affect a process already commenced.

7. FURTHER INFORMATION

Further information about this Policy can be obtained by:-

Telephone:	8522 9211
Fax:	8522 9212
Email:	council@gawler.sa.gov.au
Appointment:	Town Hall, 89 – 91 Murray Street, Gawler
Letter:	PO Box 130, Gawler SA 5118

8. AVAILABILITY OF POLICY

The Policy is available for inspection during ordinary business hours at the Council principal office, Gawler Town Hall or Library Council Offices, 89 – 91 Murray Street, Gawler or is available on the Council website at www.gawler.sa.gov.au.

A copy of this Policy will be provided to interested parties upon request, for a fee as contained in the Register of Fees and Charges.

	Activity	Legislative Reference	Council Reference	Level of Service
1	Annual Budget development and adoption	Sec 123 of LG Act 1999 LG Financial Management Regulations	Policy 6.1	<ul style="list-style-type: none"> Budget timetable tabled to October Council meeting Budget ideally adopted on or before 30 June Budget aligned with Strategic Goals Performance measures (financial and non-financial identified) Identified consistency with LTFP projection for the year (material variances explained) Document complies with legislative requirements
2	Long Term Financial Plan (10 year)	Sec 122 of LG Act 1999		<ul style="list-style-type: none"> LTFP reviewed on an annual basis Alignment with Asset Management Plan
3	Budget Reviews	Sec 123 of LG Act 1999	Policy 6.1	<ul style="list-style-type: none"> Quarterly Reviews prepared as at October, January, and April each year Reports include analysis of financial / non-financial performance Report analysing final performance against the budget tabled to Council in conjunction with the Annual Financial Statements
4	Financial Reporting		Policy 6.1	<ul style="list-style-type: none"> Monthly Finance report tabled outside of Quarterly Budget Review cycle
5	Annual Financial Statements (incl. Grants Commission Returns)	Sec 127 of LG Act 1999 LG Financial Management Regulations		<ul style="list-style-type: none"> Completion of audited Financial Statements (without qualification) by end of September each year Copy forwarded to LG Minister and SA Local Govt Grants Commission by due date in regulations

	Activity	Legislative Reference	Council Reference	Level of Service
6	Accounts Payable	Sec 124 of LG Act 1999		<ul style="list-style-type: none"> Weekly payment runs Where possible, payments made via EFT
7	Accounts Receivable	Sec 124 of LG Act 1999	Policy 6.11	<ul style="list-style-type: none"> Weekly invoice generation cycle Statements issued on a monthly basis Outstanding debtors managed in accordance with Policy
8	Taxation matters (GST / FBT)	FBT Act 1986, GST Act 1999		<ul style="list-style-type: none"> Monthly BAS Statements and annual FBT return lodged within stipulated timeframes Procedures in place to minimise Council's exposure to FBT
9	General Ledger reconciliations			<ul style="list-style-type: none"> Reconciliations completed on a monthly basis
10	Asset Register Updates	Sec 124 of LG Act 1999	Policy 6.9	<ul style="list-style-type: none"> Updates processed in accordance with Policy 6.9 (Asset Capitalisation) Depreciation processed on a monthly basis Compliance with Depreciation Policy (Policy 6.12) Valuations and useful lives reviewed and maintained in accordance with Australian Accounting Standards

	Activity	Legislative Reference	Council Reference	Level of Service
11	Bank Reconciliation	Sec 124 of LG Act 1999		<ul style="list-style-type: none"> Bank account reconciled on a daily basis Bank account balance maintained below \$100k
12	Loans & Investments	Sec 134, 139-140 of LG Act 1999	Policy 6.4	<ul style="list-style-type: none"> Compliance with Treasury Management Policy (Policy 6.4) – including preparation of annual treasury management performance report All Community Loan applications considered in accordance with Policy 6.14 Investments performance reviewed on an annual basis
13	Comparative Financial Reporting			<ul style="list-style-type: none"> Comparative report with comparable Councils tabled on an annual basis Data sourced from SA Local Government Grants Commission
14	Finance Policies	Sec 125 of LG Act 1999		<ul style="list-style-type: none"> Appropriate Policies developed Policies reviewed in accordance with programmed review cycle
15	Audit Committee	Sec 126 of LG Act 1999		<ul style="list-style-type: none"> Minimum of 4 quarterly meetings held Annual report of Committee activities prepared Annual Audit Committee workplan developed and performance monitored
16	Fees & Charges	Sec 188 of LG Act 1999		<ul style="list-style-type: none"> Reviewed on an annual basis, ensuring appropriate cost recovery rates are maintained
17	Financial Internal Controls	Sec 125 of LG Act 1999		<ul style="list-style-type: none"> Annual review program developed and implemented Regular updates to Audit Committee

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18	Full Cost Attribution	LG Financial Management Regulations		<ul style="list-style-type: none"> Financial reporting incorporates principles of Full Cost attribution
19	General Journals			<ul style="list-style-type: none"> Appropriate procedures instigated to minimise the quantity of General Journals required
20	Grant Acquittals			<ul style="list-style-type: none"> Acquittals will be completed on or before due dates
21	External Audit	Sec 130 of LG Act 1999		<ul style="list-style-type: none"> Responses to Auditor management letters and other information requests completed in a timely manner
22	Expenditure & Income / Services Review		Policy 6.13	<ul style="list-style-type: none"> Facilitate and co-ordinate programmed development of Service Level policies for relevant Services Facilitate continual review and analysis of operating budget to identify opportunities for efficiencies
23	Procedure Manual			<ul style="list-style-type: none"> Financial Services Procedure Manual reviewed and updated on an annual basis
24	General internal Accounting support services			<ul style="list-style-type: none"> Requests for assistance responded to in a timely manner Satisfaction survey of internal customers undertaken on a biennial basis